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The Responsibilities of Excellence

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Today America stands in urgent jeopardy, not because of an absence of material wealth or armed might, but because the principles upon which she was founded, that have made her great, are being effectively challenged. And yet this is occurring when she was never more active or responsive to the social and economic needs of the world. Her generous acts are legion—foreign aid, UN support, food distribution, alliance for progress, just to name a few.

In spite of this, America is not understood or appreciated. Criticism, the tax that society places on the eminent, is rampant and her enemies abound. Thus in a world of evil and aggression, democracy cannot be defended by fine deeds alone. Men of good will and high purpose must unite in a militant dedication and aggressive defense of the principles that permit it to survive and thrive.

Many of America's enemies are on the outside, but the most dangerous ones are within. These are the ones who are eroding the moral fiber of personal dignity, individual responsibility and freedom. They undermine their country by dividing and attacking one segment at a time—removing its freedoms, forcing it into government and destroying the citizens' right to voluntary decision.

Medical care is currently the object of such a major attack from within. For doctors economically, there is little danger from any change, since they are resourceful. The risk is to Americans and to the world-recognized high quality medical care that they enjoy.

We have all been admonished to "ask not what your country can do for you but what can you do for your country." That is a challenge that doctors have traditionally responded to. We have come to the aid of our country in the area of our greatest knowledge and ability—health—whether at war or in peace. However, guarding America is more than caring for her health. It entails working in union with other organizations—business, the professions, farmers, responsible labor, elected representativeswho in their specialized areas are fighting in their own sector the attrition of the basic democratic ideals of individual freedom. We all know that if freedom is in jeopardy anywhere, it is in jeopardy everywhere. Let each in his own field sound the alarm and let us all unite in our common purpose.

The specific duty that America places on her physicians is guarding her health and the system that permits it to flourish. In this area there are many threats and numerous challenges. However, guarding does not mean defending the "status quo"; there must be evolution, new methods, fresh concepts. Flexibility and experimentation are essential. New habits and desires in health have arisen in America. Each year our services become more worth buying, due to the successes of our system of scientific medicine. The public recognizes this and considers the opportunity for good health a social necessity—as it is.

With rising living standards, the people commit an ever greater fraction of their income in order to assure good health, the better to enjoy a life which is more worth living than ever before in the history of the world. This massive investment in health has

Presidential address, presented before the first meeting of the House of Delegates of the California Medical Association, April 14, 1962.

created two basic demands: A new method of financing and a guarantee of quality as related to cost.

Installment purchases and credit cards have replaced the cash basis of yesterday's economy. Right or wrong, the public demands that large expenses be out of sight. For things of an "accidental" nature, it believes in insurance—and health is such an item.

All California takes great pride in the knowledge that her medical association was the originator of the Blue Shield, Physicians' Service concept in America. This concept has blossomed into some 53 programs throughout the country. California has been a leader again through the more recent formation of individual county medical society groups into Foundations for Medical Care. Time and again this House has given support to the insurance method for medical care, knowing that as voluntary prepayment goes, so goes private voluntary medical care in America.

However, for the voluntary insurance program to grow, a great deal of physician understanding and guidance is required. Of paramount importance is its extension to the elderly after retirement. They must at least be able to begin to pay for it during their working years. Our aggressive support of community rating for premium levels is most important. The new C.P.S. very comprehensive 65+ program is excellent. It shows to the public what doctors have long recognized: A good program is not identified by its low premium but by the extent of its coverage. It must be at least extensive enough to protect the patient from difficult cash outlays. Medicine's duty in public service is not fulfilled until this is made possible and achieved.

Following the directive of this House, we are assuming leadership in setting the standards for adequate health insurance. The "Components of an Adequate Health Insurance Program" is our recent most important effort in this area. These are to serve as guide lines for the public to use as it decides to purchase its health insurance needs. Even though we have opinions regarding them, we must not bog down discussing details that are for the buyers to decide, such as extent of co-insurance, deductibles, major medicals, or for that matter even service vs. indemnity.

Our job is to set our rules and guides for providing our services with quality assured and at a fair price. In a free economy the individual consumer can safely decide on the methods of purchase and the degree of risk he is able or wants to assume. But it is on this very point that we seem most trammeled. While public impatience grows, we flounder in semantics, in diffuse discussions of principles, in poor communications. Some are for insurance and yet say they are against prepayment; others give lip service to C.P.S. and yet don't want it to grow;

a few seem to believe if only we could get rid of the Relative Value Study, we could get rid of all sorts of third parties.

Happily, however, I find a remarkable degree of unity when doctors take the time to become informed. This House is the classical example. Consistently it has done its homework and learned the facts. It does not act in haste, temper or prejudice, as it carefully considers important problems for all California—health insurance, C.P.S., Foundations, osteopathic unification, proper role of government in the medical care for the aged, quality and abuse controls, just to mention a few.

During this past year, major progress has been made in the assurance of quality in medical care. Above all, this must be the major responsibility of the medical profession. This is the one thing only medicine and doctors can give. Many groups, and especially government, would like to become the accepted authority in this field. Unless medicine assumes aggressive leadership in this area it will pass to others.

We had a statewide conference on Quality Measurement. We have cooperated with the California Hospital Association in establishing our guiding principles for hospital-physician relationships, and we have commenced the inspection of individual hospitals to evaluate their quality of medical practice.

Yes, quality assurance does mean conforming to rules, working as a team, setting standards. But medicine has always stood for this, as it has demonstrated by its creation of high medical school standards, specialty boards, hospital staff principles. This is one of the basic demands that the public makes of us. It wants quality demonstrated and guaranteed. It must be able to recognize it, understand it and appreciate it. Perhaps doubt about the government's ability to assure quality and dedication is the single reason why citizens still demand private medicine for their care. Let that doubt never be doubted!

But if quality is foremost, cost is not far behind, for people are truly concerned about the cost of medical care—and rightly so. For one thing, they have been misled about the true cost-which can only be expressed in terms of the purchasing power of the dollar. Due to the efforts of medicine, the true cost of medical care since 1942 has dropped as gauged by people's more rapidly rising income. In addition, each year witnesses an improvement in the quality of medical care we are able to give. Never before have Americans been better able to afford, nor had available, medical services of today's excellence. In every regard, health care is one of the best buys of our time. And yet we must and are going beyond that. Our patients must be certain that we have and use control systems—as we do—that prevent waste and stop unnecessary hospitalization or medical services. Our publicized efforts in this area must never cease.

If quality is assured, if cost is reasonable and insurance is purchasable, our patients want only one other guarantee—namely, availability. In that regard, we can look back with satisfaction at this year. Of course our Physician Placement Service is active throughout the state. You have read in the newspapers of our participation in the new Northern California Regional Hospital Planning Council. This council was created to recommend rules by which hospital facilities could be distributed most effectively in the state.

May we point with special pride to the new private medical school—the California College of Medicine that recently received accreditation by the Council on Medical Education and Hospitals of the American Medical Association and the American Association of Medical Colleges. By guiding that osteopathic college into the full production of doctors of medicine for the state, we have made a major and unique contribution to the immediate and future availability of physicians for Californians.

In reviewing the challenges and obligations that lie before us, I should like to end by observing that, like America in the world, personal medicine of high quality faces a threat that goes far beyond whether or not all the medical needs of our people are being met. At the world level, this threat is represented by those who want to change the social system from one of individual responsibility and self determination to one of totalitarianism and monolithic uniformity.

Within America there are great and persistent elements that want to force a single massive bureaucratic pattern on all American industry, labor, professions and services. All these true expressions of our freedom are in jeopardy. Some have fallen, and the total health services of America have been marked for next.

Efforts and progress by the private sector have been unprecedented: Voluntary health insurance's bursting growth; accelerated availability of it for the aged; quality standard and control by medical societies at levels never achieved before; holding down costs well below that of the rising income of consumers, just to mention a few.

Even more, medicine has always acknowledged that government has a traditional role in assisting those who need help. In order to assure that no unmet need exists, we cooperated with Democrats and Republicans in the last Congress to devise a new law. Our Congress heard at length the arguments from those in favor of self-determination and local guidance, as well as from those who believe in regimentation, massive centralization and compulsion. After careful deliberation, Congress voted in favor of the Kerr-Mills Law and rejected the compulsory Social Security payroll tax method.

And now, even as the favored method is just being implemented throughout the country, and before it has had a fair trial, the enemies of personal health services are acting to force the American health system into a massive government subsidy program. Like all government subsidized programs, this Social Security payroll tax proposal will open the floodgate of waste, inefficiency and political pork barreling.

Fortunately we are not alone in the recognition of this great threat to the American system of individual medical care and to the principles of American freedom, ingenuity and self-reliance. Many groups in the private sector see the danger. We all are bending every resource to get the fact before the people. We know that the vast majority of people, including the aged, will recognize the threat from government if they can really see the whole picture.

But in our issue—the one that involves defending the quality health system of America—doctors themselves must become knowledgeable, certain, inspired. You, the members of this House, are the informed leaders of California medicine. You must act. Dante said, "The hottest part of Hades is reserved for those who, at a time of moral crisis, refuse to take a side and act."

Gentlemen, this threat to America is a moral crisis and of the most fundamental type. It is no longer an issue of unmet needs. There literally are none. Whatever problems exist in our system—and we don't claim it's perfect—are the result of the success of the present form of patient-controlled individual medical care, and not its failures. Last month in Berkeley, President Kennedy said, "America stands for a world based on diversity, self-determination, and freedom." All we ask is that he and everyone demand that at least those same blessings also remain for the people of our own country.

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